

REMARKS

Claims 1-20 are pending in the present application.

The Examiner has required election in the present application between:

Group I, claims 1-18, drawn to DNA comprising a mutant FRT sequence selected from the group consisting of SEQ ID NO: 1-4, a cell and transgenic animal comprising said mutant FRT sequence and a method of using said mutant FRT sequence for replacing a gene;

Group II, claims 19, drawn to a pharmaceutical comprising the DNA of Group I; and

Group III, claims 20, drawn to a DNA recombination method using two mutant FRT sequences as set forth in SEQ ID NO: 32.

**For the purpose of examination of the present application, Applicants elect, with traverse, Group I, claims 1-18.**

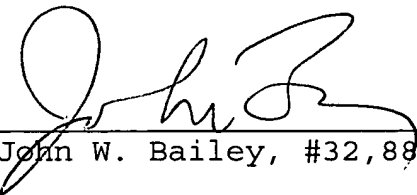
Should there be any outstanding matters that need to be resolved in the present application, the Examiner is respectfully requested to contact John W. Bailey (Reg. No. 32,881) at the telephone number of the undersigned below, to conduct an interview in an effort to expedite prosecution in connection with the present application.

Appl. No. 10/089,380

If necessary, the Commissioner is hereby authorized in this, concurrent, and future replies, to charge payment or credit any overpayment to Deposit Account No. 02-2448 for any additional fees required under 37 C.F.R. § 1.16 or under 37 C.F.R. § 1.17; particularly, extension of time fees.

Respectfully submitted,

BIRCH, STEWART, KOLASCH & BIRCH, LLP

By   
John W. Bailey, #32,881

JWB/enm  
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